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**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF ARIZONA**

Nikola Corporation, a Delaware
corporation,

Plaintiff,

v.

Trevor R. Milton and Chelsey Milton,
husband and wife,

Defendants.

No.: 2:24-cv-0563-DJH

**DEFENDANTS TREVOR MILTON
AND CHELSEY MILTON ANSWER
TO AMENDED COMPLAINT**

COME NOW Defendants, Trevor R. Milton and Chelsey Milton (“Defendants”), by and through undersigned counsel and for their Answer to Plaintiff’s Amended Complaint (“Complaint”) hereby admits, denies, and alleges as follows:

INTRODUCTION

1. In response to paragraph 1 of Plaintiff’s Complaint, Defendants are without sufficient knowledge and information to form a belief as to the truth or falsity of the allegations set forth therein and, therefore, deny the same and demand strict proof thereof.

2. In response to paragraph 2 of Plaintiff’s Complaint, Defendants deny the same.

3. In response to paragraph 3 of Plaintiff’s Complaint, Defendants deny the same.

4. In response to paragraph 4 of Plaintiff’s Complaint, Defendants are without sufficient

1 knowledge and information to form a belief as to the truth or falsity of the allegations set
2 forth therein and, therefore, deny the same and demand strict proof thereof.

3
4 **PARTIES, JURISDICTION, AND VENUE**

5 5. In response to paragraph 5 of Plaintiff's Complaint, Defendants admit the same.

6 6. In response to paragraph 6 of Plaintiff's Complaint, Defendants admit that Trevor
7 Milton served as Nikola's CEO until June 2020 and then as its Executive Chairman until
8 September 2020, when he resigned. Defendants admit that Trevor Milton was a member of
9 the Board of Directors until his resignation in September 2020. Defendants deny all
10 remaining allegations of Paragraph 6 for want of knowledge or information sufficient to form
11 a belief with respect to the truth thereof.
12

13 7. In response to paragraph 7 of Plaintiff's Complaint, Defendants admit that Chelsey
14 Milton is the wife of Trevor R. Milton. Defendants deny all other claims in this paragraph.
15

16 8. In response to paragraph 8 of Plaintiff's Complaint, Defendants admit the same.

17 9. In response to paragraph 9 of Plaintiff's Complaint, Defendants are without sufficient
18 knowledge and information to form a belief as to the truth or falsity of the allegations set
19 forth therein and, therefore, deny the same and demand strict proof thereof.
20

21 **ALLEGATIONS OF FACT**

22 **I. The Underlying Arbitration & Judgment Against Milton**

23 10. In response to paragraph 10 of Plaintiff's Complaint, Defendants admit the same.
24

25 11. In response to paragraph 11 of Plaintiff's Complaint, Defendants are without
26 sufficient knowledge and information to form a belief as to the truth or falsity of the
27 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
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1 12. In response to paragraph 12 of Plaintiff's Complaint, Defendants are without
2 sufficient knowledge and information to form a belief as to the truth or falsity of the
3 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
4

5 13. In response to paragraph 13 of Plaintiff's Complaint, Defendants are without
6 sufficient knowledge and information to form a belief as to the truth or falsity of the
7 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
8

9 14. In response to paragraph 14 of Plaintiff's Complaint, Defendants are without
10 sufficient knowledge and information to form a belief as to the truth or falsity of the
11 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.

12 15. In response to paragraph 15 of Plaintiff's Complaint, Defendants are without
13 sufficient knowledge and information to form a belief as to the truth or falsity of the
14 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
15

16 16. In response to paragraph 16 of Plaintiff's Complaint, Defendants admit the same.

17 **II. Milton is Exposed To Considerable Monetary Liability From His Misconduct**

18 17. In response to paragraph 17 of Plaintiff's Complaint, Defendants are without
19 sufficient knowledge and information to form a belief as to the truth or falsity of the
20 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
21

22 18. In response to paragraph 18 of Plaintiff's Complaint, Defendants are without
23 sufficient knowledge and information to form a belief as to the truth or falsity of the
24 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
25

26 **III. Milton Appears to Fraudulently Sell/Transfer Shares of Nikola Stock on the**
27 **Cusp of Confirmation of the Arbitration Award**

28 19. In response to paragraph 19 of Plaintiff's Complaint, Defendants deny the same.

1 20. In response to paragraph 20 of Plaintiff's Complaint, Defendants are without
2 sufficient knowledge and information to form a belief as to the truth or falsity of the
3 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
4

5 **IV. Milton Retains Possession or Control of the Sold/Transferred Nikola Stock**
6 **Through Intra-Family Transfers Executed to Conceal His Assets From Nikola**

7 21. In response to paragraph 21 of Plaintiff's Complaint, Defendants are without
8 sufficient knowledge and information to form a belief as to the truth or falsity of the
9 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.

10 22. In response to paragraph 22 of Plaintiff's Complaint, Defendants admit that on April
11 2, 2024, a deposit for \$32,454,972.34 was made in a Mountain America Credit Union bank
12 account which "reflects the consideration for the transfers." Defendants are without sufficient
13 knowledge and information to form a belief as to the truth or falsity of the remaining
14 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
15

16 23. In response to paragraph 23 of Plaintiff's Complaint, Defendants are without
17 sufficient knowledge and information to form a belief as to the truth or falsity of the
18 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
19

20 24. In response to paragraph 24 of Plaintiff's Complaint, Defendants are without
21 sufficient knowledge and information to form a belief as to the truth or falsity of the
22 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
23

24 **V. Milton Expressed An Unequivocal Intent to Maintain Control of the Shares**
25 **Through His "Notice of Intent" to Nominate A Slate of New Directors**

26 25. In response to paragraph 25 of Plaintiff's Complaint, Defendants are without
27 sufficient knowledge and information to form a belief as to the truth or falsity of the
28

1 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.

2 26. In response to paragraph 26 of Plaintiff's Complaint, Defendants are without
3 sufficient knowledge and information to form a belief as to the truth or falsity of the
4 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
5

6 27. In response to paragraph 27 of Plaintiff's Complaint, Defendants are without
7 sufficient knowledge and information to form a belief as to the truth or falsity of the
8 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
9

10 **COUNT I**

11 **Fraudulent Conveyance/Transfer Pursuant to A.R.S. § 44-1004**

12 28. Defendants reallege and reincorporate the above paragraphs as if fully set forth herein.

13 29. In response to paragraph 29 of Plaintiff's Complaint, Defendants are without
14 sufficient knowledge and information to form a belief as to the truth or falsity of the
15 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
16

17 30. In response to paragraph 30 of Plaintiff's Complaint, Defendants are without
18 sufficient knowledge and information to form a belief as to the truth or falsity of the
19 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
20

21 31. In response to paragraph 31 of Plaintiff's Complaint, Defendants deny the same.

22 32. In response to paragraph 32 of Plaintiff's Complaint, Defendants are without
23 sufficient knowledge and information to form a belief as to the truth or falsity of the
24 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
25

26 33. In response to paragraph 33 of Plaintiff's Complaint, Defendants are without
27 sufficient knowledge and information to form a belief as to the truth or falsity of the
28

1 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.

2 34. In response to paragraph 34 of Plaintiff's Complaint, Defendants are without
3 sufficient knowledge and information to form a belief as to the truth or falsity of the
4 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
5

6 35. In response to paragraph 35 of Plaintiff's Complaint, Defendants deny the same.

7 36. In response to paragraph 36 of Plaintiff's Complaint, Defendants are without
8 sufficient knowledge and information to form a belief as to the truth or falsity of the
9 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
10

11 37. In response to paragraph 37 of Plaintiff's Complaint, Defendants are without
12 sufficient knowledge and information to form a belief as to the truth or falsity of the
13 allegations set forth therein and, therefore, deny the same and demand strict proof thereof.
14

15 38. Defendants deny all allegations, both singular and plural, which are not otherwise
16 specifically admitted herein.

17 **AFFIRMATIVE DEFENSES**

- 18 1. Some or all of Plaintiff's claims may be related to superseding acts.
19
20 2. The proximate cause of any injury was not from Defendants' acts or omissions.
21
22 3. Plaintiff's Amended Complaint fails to state a claim upon which relief can be granted.
23
24 4. Plaintiff's Amended Complaint fails to name all necessary and related parties to this
25 matter.
26
27 5. Plaintiff's Amended Complaint is barred by the doctrine of waiver.
28
6. Plaintiff's Amended Complaint is barred by the doctrine of estoppel.
7. Plaintiff's Amended Complaint is barred by the doctrine of unclean hands.

1 8. Plaintiff's Amended Complaint is barred by the doctrine of accord and satisfaction.

2 9. Plaintiff's Amended Complaint is barred by assumption of risk, contributory
3 negligence, laches, release, statutes of frauds, failure to name all necessary and indispensable
4 parties, statute of limitations, res judicata, collateral estoppel, waiver and/or any other matter
5 constituting an avoidance or affirmative defense under F.R.Civ.P. 8(c).
6

7 10. Additional facts may be revealed by future discovery in this action, which may support
8 affirmative defenses presently available to, but unknown by Defendants. Accordingly,
9 Defendants conditionally incorporate by reference and allege each and every affirmative
10 defense and avoidance set forth in F.R.Civ.P. 8(c) and 12.
11

12 11. Defendants reserve the right to assert other and additional affirmative defenses as
13 those defenses may become apparent through discovery and litigation.
14

15 **PRAYER FOR RELIEF**

16 Wherefore, having fully answered Plaintiff's Amended Complaint, Defendants
17 request the following relief:

18 A. Deny any award for any and all damages in any favor of Plaintiff and against
19 Defendants;
20

21 B. Deny judgment in favor of Plaintiff as they are entitled to nothing and award
22 Defendants' reasonable attorneys' fees and costs as may be incurred;
23

24 C. For such other and further relief as the Court deems just and proper in the
25 circumstances.
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1 Dated: September 5th, 2025

2 /s/ Chad A. Hester
3 Chad A. Hester, Esq. #022894
4 WALLIN HESTER, PLC
5 1760 E. Pecos Rd., STE 332
6 Gilbert, Arizona 85295

7 *Attorney for Defendants*
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Certificate of Service

I hereby certify that on September 5th, 2025, the attached document was electronically transmitted to the Clerk of the Court using the CM/ECF System which will send notification of such filing and transmittal of a Notice of Electronic Filing to all CM/ECF registrants.

By: /s/ Chad A. Hester
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Attorney for Defendants